



General Assembly

Substitute Bill No. 5280

February Session, 2006

* _____HB05280LABJUD031706_____*

**AN ACT CONCERNING PENALTIES FOR CONCEALING
INFORMATION RELATED TO WORKERS' COMPENSATION
INSURANCE AND SELF-INSURANCE.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 repealed and the following is substituted in lieu thereof (*Effective*
2 *October 1, 2006*):

3 (g) (1) Any employer who, with the intent to injure, defraud or
4 deceive any insurance company insuring the liability of such employer
5 under this chapter, [(1)] (A) knowingly misrepresents one or more
6 employees as independent contractors, or [(2)] (B) knowingly provides
7 false, incomplete or misleading information to such company
8 concerning the number of employees or the job classification of an
9 employee, for the purpose of paying a lower premium on a policy
10 obtained from such company, shall be guilty of a class D felony. The
11 insurance company of any employer known to the insurance company
12 to be in violation of this subdivision shall report such known violation
13 to the chairman of the Workers' Compensation Commission and the
14 Chief State's Attorney.

15 (2) Any employer who, with the intent to reduce the amount of
16 security required to obtain or maintain a certificate of self-insurance
17 under this chapter, (A) knowingly misrepresents, to the chairman of
18 the Workers' Compensation Commission or the Insurance

19 Commissioner, one or more employees as independent contractors, or
 20 (B) knowingly provides false, incomplete or misleading information to
 21 the chairman or the commissioner concerning the number of
 22 employees or the job classification of an employee, shall be guilty of a
 23 class D felony.

24 Sec. 2. Subsection (b) of section 31-290d of the general statutes is
 25 repealed and the following is substituted in lieu thereof (*Effective*
 26 *October 1, 2006*):

27 (b) The workers' compensation fraud unit shall submit a quarterly
 28 report detailing its activities to the chairman and the Advisory Board
 29 of the Workers' Compensation Commission and to the Insurance
 30 Commissioner. On or before December 1, 2006, and annually
 31 thereafter, the workers' compensation fraud unit shall submit a report
 32 to the joint standing committees of the General Assembly having
 33 cognizance of matters relating to insurance and labor concerning
 34 employer and employee workers' compensation fraud. Such report
 35 shall include, but not be limited to, the number of investigations,
 36 arrests, referrals, and prosecutions relating to such fraud, and
 37 recommendations for improving compliance with the provisions of
 38 this chapter pertaining to claims for benefits, receipt or payment of
 39 benefits, or the insurance or self-insurance of liability.

This act shall take effect as follows and shall amend the following sections:

repealed	<i>October 1, 2006</i>	New section
Sec. 2	<i>October 1, 2006</i>	31-290d(b)

LAB Joint Favorable Subst. C/R

JUD